

UNITED STATES GOVERNMENT

Memorandum

JGD Davis
 ① J. S. Sutherland
 ALEmb
 ② E. J. Blood
 MR Miller
 W. C. ...
 P. R. ...
 W. J. ...
 W. S. ...
 W. S. ...

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DATE: APR 14 1967

TO : Charles A. Keller, Director
 Production Division, OR

FROM : Douglas E. George, Director
 Division of Nuclear Materials Management, HQ

SUBJECT: SS MATERIALS SURVEY NO. OR 226
to be 5/3/67

Enclosed is a draft letter to the Plant Manager, Union Carbide Corp., Lawrenceburg, Tennessee, reflecting findings of the subject survey. The proposed letter was drafted by DNM after reviewing the report you recently transmitted. Please note that several of the findings are annotated, requesting that you cite one or more specifics as the basis for the statements made.

Charlie, I know that most of the then existing inventory was scrap and that all, or most of it, has since been recovered and returned to the Commission. Further, I understand that there is now only a very minimal inventory at CPD and that little work other than R&D is planned in the near future. Thus, you will probably want to recognize these facts in transmitting the letter, although I am sure we agree that we should not be apologetic. While the inventory is only modest (although > 5,000 grams U-235, I think), their license permits significant quantities and it is apparent that they have neither a system of control nor adequate practices.

On Thursday I reviewed the draft with Messrs. Vinciguerra, Henderson, et al and the enclosed, subject to your review for accuracy, incorporation of certain additional information, and your view as to the desirability of adding something relative to the above discussion, was the approach agreed upon. In fact, Mr. Vinciguerra suggested that it might be worthwhile to hand-carry the letter to the Plant Manager and discuss it with him prior to putting it in the record.

If you have any questions, I should be glad to go over them with you.

cc: J. V. Vinciguerra, AGMA
 C. L. Henderson, REG ✓

Cy to:
 ALay
 NLP
 CKB
 DNM
 ER
 G. Page
 McBe
 L. ...
 S. ...

Rec'd Off, Dir. of Reg.
 Date: 4/17/67
 Time: 1:50
 Both: ✓

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